

Central Intelligence Agency

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28 April 1988

Mr. Ed Swoboda
Committee on Appropriations
Subcommittee on Defense, Staff
United States Senate
Washington, D.C. 20510

Dear Ed:

Attached for your information is some material on the security activity that the DCI announced in testimony before the Senate Select Committee on Intelligence (SSCI) in March. Resources for the new organization, the Security Evaluation Office (SEO), are likely to be added by either or both of the Intelligence Committees when they mark-up the 1989 Intelligence Authorization bill. [redacted]

[redacted] the Director of SEO, is available to brief on this new activity. Please contact me if you would like any additional information on this subject. [redacted]

Sincerely,

[redacted]

Daniel A. Childs, Jr.
Comptroller

Attachments:
As stated

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SSCI COUNTERINTELLIGENCE QUESTIONS

29 MARCH 1988

PREPARED BY: Security Evaluation Office

QUESTION 2. Please provide a detailed statement of the authority, mission, functions, and FY89 resource needs of the Foreign Missions Security Evaluation Office. [REDACTED]

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ANSWER. The authority for the Foreign Missions Security Evaluation Office (now known as Security Evaluation Office to prevent confusion with the Office of Foreign Missions at State Department) is established in the 22 October 1987 memorandum from Deputy Assistant to the President for National Security Affairs, Colin L. Powell, to Secretary of State Shultz and DCI Webster. The following three pertinent extracts are from the memorandum: [REDACTED]

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1. The President has reviewed the recommendations in your memorandum of August 3 regarding establishment of security facilities for our missions in the Soviet Union and enhancement of our organization and capabilities to manage security programs at our overseas missions. He believes the approach you have outlined represents a workable framework to achieve an improved security and operational environment at our embassy in Moscow and other overseas missions. He has directed, therefore, that you should move forward to implement the following on a priority basis: [REDACTED]
2. Audit and Inspection Functions. The President agrees with your recommendation to establish a unit responsible for setting standards to protect embassies from penetration by foreign intelligence activity, and for monitoring conformity with those standards. The head of this unit will be named by and be responsible to the DCI, who will report problems and recommendations to the Secretary of State for his action, as the official responsible for the management of embassies and missions abroad. Its staff would be drawn from the various agencies involved in our diplomatic and intelligence functions abroad. This unit should be independent of the organization of the Director of Diplomatic Security. [REDACTED]

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The unit will have a working-level advisory group consisting of the Director of Diplomatic Security and equivalent-level personnel from the other agencies involved. Additionally, there will be a high-level Board, including the Secretary of State and the DCI, that will meet once each quarter or on call. The Board will have the authority to recommend to the Secretary of State that he rescind the authority of a particular facility to receive, retain, or perform classified functions in the event of serious security problems. In the event of disagreement by the Secretary of State, an appeal can be made to the President. []

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The Secretary of State and the DCI should develop the necessary plans and legislative initiatives, if any, to implement these organizational initiatives. Such plans should include provision for a DCI report annually to the President and the Congress on the status of security at US missions. []

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3. The President is determined that clear lines of responsibility for security be established; that within State a fully effective security organization be established; that aggressive, objective audits of our overseas mission be institutionalized; and that a sanctions process be formalized to ensure full accountability for security classified information and activities at these missions and in Washington. []

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The Security Evaluation Office came into existence on 4 April 1988. This organization is responsible for setting standards to protect embassies from foreign intelligence activity and for monitoring conformance. It is responsible to the DCI, enabling him to prepare an annual report to the President and the Congress on the status of security at US foreign missions. This organization will be an independent office of the DCI. []

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[] was appointed as the Director. The office will build toward a strength of about [] people, capable of establishing a program of aggressive, objective audits of our overseas missions. Attached to Question 2.a. is an organizational chart. []

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The main missions of the office are fourfold:

- analyze the vulnerabilities of our foreign missions and the hostile intelligence threat to them,
- set security standards to protect our missions against foreign intelligence activity,

-- monitor conformance with those standards, and

-- report problems and recommendations to the DCI. []

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The specific functions of each Security Evaluation Office unit are just being formulated. A thumbnail sketch follows: []

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-- The Standards Unit will set uniform minimum standards using DCIDs, NSCIDs, etc., as a baseline in such areas as personnel, physical, technical, construction, OPSEC, TSCM, COMPUSEC, COMSEC, and TEMPEST security. []

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-- The Intelligence Unit will do its own analysis based on all-source, all-agency, multidisciplinary intelligence contributions. []

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-- The Inspections Unit will do independent inspections on a selective, event-driven or analysis-driven basis. It will also monitor inspections done by State and the Intelligence Community at US foreign missions and audit those reports. []

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Finally, we are establishing two advisory groups in connection with this new office. One will be a working-level group, chaired by the Director, Security Evaluation Office, to facilitate communication and resolution of issues with the Director of Diplomatic Security and other elements of the Intelligence Community. The second group will be a high-level Board, including the Secretary of State, chaired by the DCI and meeting as required. This high-level group is envisioned as the forum where the Secretary of State and the DCI will discuss recommendations of the Security Evaluation Office. If there is a disagreement, either can appeal to the President for final resolution of the problem. []

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Resource needs of the Security Evaluation Office are addressed in the response to Question 2.b. []

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SSCI Question for the Record

29 March 1988

QUESTION AREA: Security Evaluation Office

QUESTION 2a. Will it draw personnel from the Intelligence Community and the State Department?

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ANSWER. The Security Evaluation Office (SEO) will draw its personnel from throughout the entire Intelligence Community (including the Bureau of Diplomatic Security at State Department) to ensure we have the best possible mix of appropriate skills and available experience. All personnel will be on reimbursable detailee assignments. The Director of SEO is currently negotiating with NSA, DoD, FBI, CIA and the Department of State to fill these detailee positions since these agencies are involved in our diplomatic and intelligence functions abroad. The Deputy Director of SEO (who is nominated by State and appointed by the DCI) has just been identified and his name will soon be announced. It should be noted that SEO personnel security standards for detailees will be the same as for CIA personnel. Attached is a chart which shows the current table of organization.

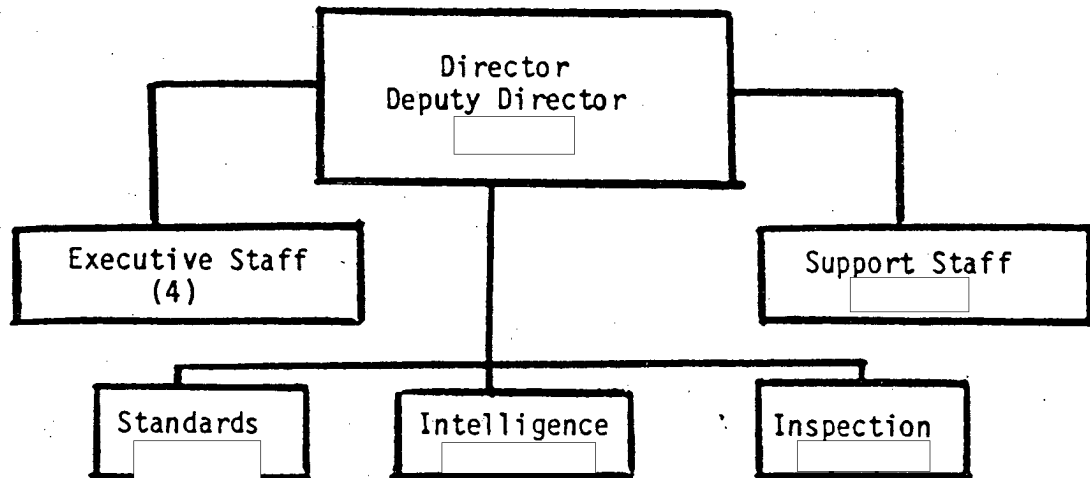
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SECURITY EVALUATION OFFICE

Concept for Organization



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SUBJECT: Resources for the Security Evaluation Office (SEO)

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